

A blue-tinted image of the Statue of Liberty's head and crown, with a group of diverse children in the foreground. The children are smiling and wearing various casual clothing like sweaters and overalls. The background is a solid blue color.

Creating Opportunities **15**

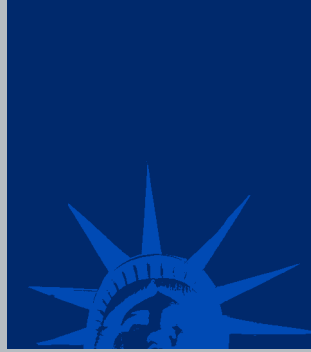
Fifteen Years of Advancing the Public Good

The Annenberg Foundation



We the People
United States, in Order to form a more perfect Union,
insure domestic Tranquility, provide for the common defence,
te the general Welfare, and secure the Blessings of Liberty
Posterity, do ordain and establish this Constitution





Creating Opportunities

*Fifteen Years of
Advancing
the Public Good*

The Annenberg Foundation

A Message to Our Readers

ANNENBERG

May 2005

Dear Friends and Colleagues:

To a child, fifteen years are an eternity; to a parent or grandparent, a blur. For institutions, too, time has a way of accelerating as it passes.

That is why the Annenberg Foundation is marking its 15th anniversary with this report, which explores its principal grants and projects since 1989 and considers how these activities endeavored to expand opportunity and advance the public good through communications. These were Walter H. Annenberg's goals and passion throughout a distinguished career in business, diplomacy and philanthropy, and they remain the purpose, resolve and commitment of the Annenberg Foundation today.

Communication is a lustrous thread that runs through the tapestry of the Foundation's work in education, the arts, civic life and health care. Woven together, these threads form a powerful strand that undergirds the Foundation's efforts in these four essential walks of life.

Ambassador Annenberg had an unwavering belief in the power of education to transform lives and to help this nation live up to the ideals and vision of its founders. Over the last decade, the Foundation's education philanthropy evolved from an almost exclusive concentration on higher education to a deep commitment to improving schools and expanding opportunities at every level, from pre-kindergarten to graduate studies. The Foundation nurtured and expanded a long-running partnership with the Corporation for Public Broadcasting that gives millions of students and teachers access to enriched courses and professional development, at first over the airwaves alone and now by satellite, over the internet and on DVDs as well.

The arts, too, lie at the heart of the Annenberg Foundation's work. The Foundation has waged a determined battle to restore arts to the core curriculum in elementary and public schools across the land. It remains a stalwart of great museums, symphonies, opera houses and theaters – national treasures that enrich so many lives yet often struggle to make ends meet. The Foundation has sought to be a practical patron of these noble institutions. Walter Annenberg believed that great art, like great wealth, must be shared and must be accessible. The Foundation has endowed funds that will allow generations of Los Angeles school children to see and hear the Los Angeles Philharmonic and provide professional tutelage for talented youths aspiring to careers as classical musicians and composers. On a similar note, the Foundation's recent gift to the Philadelphia Orchestra went for endowments aimed at winning new

FOUNDATION

audiences for classical music, inside the concert hall and beyond, through education programs and such innovations as live broadcasts over the internet.

Walter Annenberg was unabashedly and unreservedly patriotic and grateful for the opportunity and freedoms that are an American birthright. To this day, the Foundation regards strengthening civic bonds and the institutions of democracy as part of its charge. Major grants have provided support for presidential libraries and new monuments to democracy such as the National Constitution Center on Independence Mall and the planned, interactive Visitor's Center beneath "democracy's doorstep," the U.S. Capitol. Other grants underscored Ambassador Annenberg's belief that a free press and free inquiry are essential to the workings of democracy. The Committee to Protect Journalists will use its endowment gift to preserve press freedom around the world, while a grant to National Public Radio sponsors the thought-provoking "Justice Talking" series, and the Annenberg Public Policy Center's FactCheck.org plays an important role in monitoring the fairness and accuracy of national political discourse.

In the health area, the Foundation is focused on innovative ways of delivering the latest medical knowledge to front-line physicians and health professionals. Two exemplary medical institutions, the Eisenhower Medical Center in Rancho Mirage, California, and Lankenau Hospital in Wynnewood, Pennsylvania, have been the special focus of this philanthropy. Additional grants have served the health information needs of the general public through support for the Center for the Advancement of Health in Washington, D.C., and an innovative forum on health at Cedars Sinai Medical Center in Los Angeles.

The purpose of this report is not to memorialize the Foundation's landmark gifts, but to convey the scope and depth of its investments in education, the arts, civic life and the health of America. Over these 15 years the Foundation has awarded some 5,200 grants totaling more than \$2.8 billion. The projects are too numerous to catalogue here, but the pages that follow hint at the breadth of this work. It brought Walter Annenberg great joy to devote his final years to directing this philanthropy, choosing undertakings that he believed held the promise of doing the most good for the most people. It is this inspiring legacy to which the trustees of the Annenberg Foundation have been and will remain dedicated.

Sincerely,



Leonore Annenberg
President and Chairman



Wallis Annenberg
Vice President

ANNENBERG



1927: While still a senior at The Peddie School in Hightstown, New Jersey, Walter H. Annenberg gives Peddie \$17,000 to build a new cinder track and suggested that Peddie rent the track to area schools to generate income for its upkeep. Leveraging grants for lasting impact became a hallmark of Walter Annenberg's grantmaking.

1958: Walter H. Annenberg makes a \$2.65 million gift to the University of Pennsylvania to establish the Annenberg School for Communication, a graduate program combining the disciplines of speech and rhetoric with techniques of modern media and mass communications.

1971: Ambassador Annenberg commits \$8 million to the University of Southern California to create a second Annenberg School for Communication, a graduate program concentrating on the technology of communication.





1979: Walter and Leonore Annenberg provide a founding gift of \$4 million for the Annenberg Center for Health Sciences at Eisenhower Medical Center in Rancho Mirage, California, to help educate health professionals and promote the health and welfare of the general public.

1981: Walter Annenberg pledges \$90 million to the Corporation for Public Broadcasting to put college courses on the air, allowing thousands of viewers to take classes at home and earn credits toward college degrees.

1986: Walter Annenberg contributes \$13.6 million to house the Annenberg Research Institute, a Judaic and Near East studies center formerly known as Dropsie College. It later merges with the University of Pennsylvania's Center for Advanced Judaic Studies, the world's only academic institution devoted exclusively to multi-disciplinary, post-graduate research on Jewish civilization.



1989: The Annenberg Foundation begins operations on July 1 with \$1.2 billion in assets.

1990: To focus attention on the needs of historically black colleges, the Foundation makes a lead \$50 million challenge gift in what becomes the most successful fund-raising drive ever by the United Negro College Fund.

1990: Recognizing the importance of public television, the Annenberg Foundation provides \$5 million to build a new broadcasting center and headquarters for WETA, the flagship station in the nation's capital. A second \$5 million grant in 2002 enables WETA to produce new national programming in American history and the arts.

1991: Walter and Leonore Annenberg donate their \$1 billion Impressionist and Post-Impressionist art collection to the Metropolitan Museum of Art in New York. In addition, the Annenberg Foundation has provided nearly \$120 million to the Museum over the years for acquisitions, gallery restoration and other support.

1991: With a \$29 million grant, the Annenberg/CPB Project becomes the Annenberg/CPB Math and Science Project, focused on creating more effective and varied telecommunications tools for science and math learning.





1993: With a \$120 million grant to the University of Pennsylvania, the Annenberg Foundation endows the Annenberg School for Communication and creates the Annenberg Public Policy Center, which pursues research and convenes discussions on the critical intersection of media, communication and public policy. In 1994, the Annenberg School becomes home to the Annenberg Washington program.

1993: Through a \$120 million founding grant, the Annenberg Center for Communication at the University of Southern California is established as an interdisciplinary home for the study of communications issues and research. It draws faculty and students from across the university and works in close partnership with the Annenberg School for Communication, the School of Cinema-Television and the School of Engineering.

1993: A \$100 million gift to The Peddie School is the largest gift ever to a prep school. The grant doubles Peddie's endowment, with most of the funding allocated for scholarships and financial aid.

1993: The Foundation makes a \$25 million grant to Harvard University for scholarships, seminar programs, and renovations to historic Memorial Hall, which includes the creation of a freshman dining facility named for the Ambassador's son, Roger Annenberg.

1993: The Annenberg Foundation makes a historic commitment to public education with one of the largest gifts in philanthropic history: the \$500 million Annenberg Challenge, which works to revive and inspire school reform efforts across the nation. The 18 Challenge project sites in major cities and rural America receive grants ranging from \$1 million to \$53 million and generate more than \$600 million in matching funds.

As part of the Challenge, the Annenberg Foundation provides a \$50 million endowment for the Annenberg Institute for School Reform at Brown University.

1997: The Annenberg Foundation gives the British Museum \$9.6 million to open the Walter and Leonore Annenberg Information Centre, which gives visitors electronic access to thousands of objects in its collections.

1998: A \$10 million contribution to revitalize Independence Mall in Philadelphia creates a state-of-the-art educational and interpretative facility for the Liberty Bell and completes funding for the Gateway Visitor Center, which links the region's tourism and economic development strategies.

1999: The Annenberg Foundation makes a \$38 million grant to expand the Annenberg/CPB television channel to a 24 hour-a-day, seven day-a-week free satellite channel for schools, colleges and communities with a focus on the professional development of the nation's primary and secondary school teachers. The channel's extensive web site soon will begin delivering its video collection by broadband to educators.

2000: Putting advanced technology to work to enhance the education of medical professionals, the Annenberg Foundation commits \$10 million to the Lankenau Hospital Foundation in Bryn Mawr, Pennsylvania, to build the Walter and Leonore Annenberg Conference Center for Medical Education.

2000: The Annenberg Foundation establishes the Institute for Adolescent Risk Communication of the Annenberg Public Policy Center with an endowment of \$25 million. The Institute takes a cross-disciplinary approach to pursue research and develop strategies to prevent and treat risky behaviors by teenagers, including use of tobacco and drugs, high-risk sexual behavior, and suicide.

2000: To promote civic education and to preserve historic sites, the Annenberg Foundation provides \$10 million for the new National Constitution Center on Independence Mall; \$10 million toward the construction of the Capitol Visitors Center in Washington DC; and \$10 million for the Annenberg Public Policy Center's Civic Identity Project, including *Student Voices*, a civic education program for high school youth, and *Justice Talking* broadcasts on National Public Radio.

2001: The Annenberg Foundation creates the Annenberg Foundation Trust at Sunnylands to advance the well-being of democratic institutions and to enhance civic engagement and mental health among youth. With a \$250 million founding endowment, the Sunnylands Trust brings together world leaders, scholars, government representatives and heads of major social institutions to grapple with pressing social and civic problems.

2001: Beginning in 2001, the Annenberg Foundation provides grants totaling \$40 million to expand the Eisenhower Medical Center in Rancho Mirage, California, which serves one of the fastest growing communities in the nation.

2000-1: The Foundation broadens its educational focus to include building public engagement, global education and the early childhood years. New grants include \$16.6 million for the Public Education Network, to build and strengthen civic coalitions working for quality public schools in more than 100 cities; \$5 million to the United Nations Association of the USA to expand its *Global Classrooms: Model United Nations* program into urban middle schools and high schools across the United States; and \$7 million to the United Way of Southeastern Pennsylvania for Early to Learn, a city-wide preschool program in Philadelphia.





2001: The Annenberg Foundation gives \$1 million to support a Presidential Library Tour of an original copy of the Declaration of Independence, one of just 25 known surviving copies of the Declaration adopted by the Continental Congress in Philadelphia on July 4, 1776. From 1991 to 2004, the Foundation provides \$26 million in grants in support of eight presidential libraries.

2001-4: The Foundation makes a series of endowment and operations grants to strengthen U.S. art museums, including \$25 million to the Metropolitan Museum of Art; \$25 million to the Philadelphia Museum of Art; \$11 million to the Los Angeles County Museum of Art; \$10 million to the National Gallery of Art; and a \$20 million pledge to help build a new home in Philadelphia for the Barnes Foundation art collection.

2002: A \$1 million grant to New York City Public/Private Initiatives supports the ceremonial joint session of Congress in historic Federal Hall in lower Manhattan on September 6, 2002. The 107th Congressional Session was held to honor those who perished in the terror attacks of September 11, 2001.

2002: The Annenberg Foundation makes \$100 million trust gifts to the two Annenberg Schools for Communication at Penn and USC.

2002: The Annenberg Foundation's donor-founder, Ambassador Walter H. Annenberg, dies at the age of 94. He is succeeded by his wife, Leonore Annenberg, President and Chairman; daughter Wallis Annenberg, Vice President; and grandchildren Lauren Bon, Gregory Annenberg Weingarten and Charles Annenberg Weingarten, Trustees.

2003: The Foundation makes a series of major grants to cultural institutions, including \$50 million for program endowment at the Philadelphia Orchestra; \$15 million for restoring the Academy of Music, the oldest opera house in the United States; and \$3.5 million to keep the Metropolitan Opera's Saturday afternoon broadcasts on radio stations across the United States and worldwide.



2004: The Annenberg Foundation helps expand the California Science Center, a vibrant educational resource for California families, through \$31 million in grants that help double the Center's exhibition space and open a new public charter school. The Wallis Annenberg Building for Science Learning and Innovation also houses a professional development hub for science learning.

2004: Through the leadership of Wallis Annenberg, the Foundation moves into the environmental grantmaking arena with support for Blue Planet, a \$5 million initiative to address air and water quality and land conservation and stewardship projects, largely in California.

2004: The Annenberg Foundation commits \$25 million to the California Institute of Technology to construct the Walter and Leonore Annenberg Center for Information Science and Technology, which will bring together faculty within six research centers to explore the science of information. The Foundation also endows a \$4 million research fellowship at the Center for Advanced Study in the Behavioral Sciences.

2004: With a \$10 million grant to the Los Angeles Philharmonic, the Annenberg Foundation establishes the Roger Annenberg Fund for Children's Education to engage schoolchildren in personal musical exploration.

2004: The Annenberg Foundation commits \$5 million to the Sundance Institute for the Annenberg Film Fellows Program, to identify and foster a new generation of film artists by providing residency support, mentoring and stipends to young filmmakers with Sundance's Feature Film Program.

2004: The Annenberg Foundation makes a \$10 million grant to the House Ear Institute in support of the *Campaign for Building a Sound Future*, which includes the construction of the Wallis Annenberg Research Center on its Los Angeles campus. The Center will enhance research programs through a state-of-the-art conference facility to strengthen communication among scientists and students both within and beyond the Institute.



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The Beginnings

With the stroke

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of a pen,

the **Annenberg Foundation** came into existence on July 1, 1989, with \$1.2 billion to spend to create opportunities and advance the public well-being through improved communication. Those assets came from the sale of Triangle Publications, the last of the media properties owned by Walter H. Annenberg and his family, and they immediately made the Annenberg Foundation the 11th largest in the United States. The newspaper and magazine publisher, broadcast pioneer and former Ambassador to the Court of St. James already stood as one of America's great philanthropists. Buildings and endowed chairs at more than a dozen colleges and universities bore the Annenberg name, including the communication schools at the University of Pennsylvania and the University of Southern California. The Ambassador in 1981 had made the largest pledge in the history of public broadcasting, making it possible for television viewers to earn college degrees from their living rooms and providing access to advanced courses for students in isolated schools. He and his wife Leonore were celebrated art patrons on both sides of the Atlantic, even before donating their collection of Impressionist and Post-Impressionist masterpieces to the Metropolitan Museum of Art in New York in 1991. Presidential libraries, universities, hospitals, orchestras, children's museums, science centers, even Colonial Williamsburg have benefited from the Annenberg generosity.



The John F. Kennedy Center for the Performing Arts rebuilt its plaza to provide an easier pathway to the nation's busiest arts center and link it more closely with the National Mall.





Predecessor charities had disbursed \$200 million since the gift establishing the graduate-level Annenberg School for Communication at the University of Pennsylvania in 1958. The words “publisher” and “philanthropist” were permanently joined in the public mind and conversation about Walter H. Annenberg.

Yet all was prelude for the work that lay ahead.

In those first twelve months the Annenberg Foundation made \$59.5 million in grants for education, civic and community work, arts and culture, and health. Only eight U.S. foundations gave more. Since that auspicious start, the Foundation has made 5,065 grants totaling more than \$2.5 billion, including some of the largest and boldest in the history of U.S. philanthropy. The scale of these gifts inspired comparisons with the libraries that Andrew Carnegie opened across America, with the public schools for blacks that Julius Rosenwald built in the segregated South, with the public health and higher education institutions that John D. Rockefeller endowed, and with Andrew Mellon’s gift of the National Gallery of Art.

The independent, non-profit Foundation Center ranks the Annenberg Foundation 11th in terms of giving (\$213 million in grants in 2004) and 17th in assets (\$2.7 billion as of June 30, 2004). This 15th anniversary offers a suitable occasion for a look back and a look ahead at the work of the Annenberg Foundation.

2

The Mission and Vision

The Annenberg Foundation concentrates on four objectives:

- Expanding educational opportunities;
- Bolstering arts and cultural institutions;
- Fostering good citizenship and strengthening civic life;
- Supporting medical centers and continuing medical education.

These pursuits are beyond the reach of any single individual, institution or foundation. Indeed, these are essential tasks for any civilized society. Ambassador Annenberg viewed the work of the

Since 1989, the Foundation has made 5,231 grants totaling more than \$2.8 billion.



Annenberg Public Policy Center – Student Voices Project

**Presidential
libraries, universi-
ties, hospitals,
orchestras, chil-
dren's museums,
science centers,
even Colonial
Williamsburg
benefited from
Annenberg
generosity.**

Annenberg School for
Communication at the University
of Southern California

Foundation and all his philanthropy as repayment of an enormous debt owed this land of opportunity. Proudly and unabashedly patriotic, this son and grandson of immigrants said on many occasions, “My country has been very good to me. I must be good to my country.” He regarded education as “the glue that holds civilization together” and believed that making schools better and expanding access to higher education was the best anti-poverty program. Vartan Gregorian, president of the Carnegie Corporation of New York and the Ambassador’s close friend and adviser, said Walter Annenberg viewed education as “a means of liberation from fear, from want, from ignorance, and an investment in the future of our country.”



The Ambassador also understood that media and communications, the source of his great good fortune, could be a powerful force for improving society and the lives of Americans. A television pioneer who built one of the first commercial stations in the United States – Philadelphia’s WFIL, Channel 6, birthplace of both the *University of the Air* and *American Bandstand* — he understood instinctively how television and other media could change people’s lives. As an editor and publisher who had walked through Dachau, the Nazi death camp in a Munich suburb, and witnessed the Nuremberg trials, he had seen firsthand how Hitler’s Germany used communications for unspeakable evil. “Walter understood the importance of communications to a democracy,” said Leonore Annenberg.



He believed in appealing to what Lincoln called “the better angels of our nature” and, in case that failed, creating strong academic institutions to stand as bulwarks against the misuse of communications. That work continues today at the communication schools he founded in Philadelphia and Los Angeles and at the Annenberg Public Policy Center at the University of Pennsylvania. [For more details, see “*The Annenberg Schools: Advancing Free Communication and Public Service*” on page 93.] In 1971, when the Annenberg School for Communication opened at the University of Southern California, the Ambassador penned a pithy credo that still serves as the mission statement for both Annenberg Schools:

Every human advancement or reversal can be understood through communication. The right to free communication carries with it responsibility to respect the dignity of others, and this must be recognized as irreversible. Educating students to communicate this message effectively and to be of service to all people is the enduring mission of this school.

Walter and Leonore Annenberg took joy in building over four decades their collection of paintings, drawings and watercolors by the greatest artists of the late 19th and early 20th centuries. The Ambassador gladly played docent in sharing the history of each painting with visitors to Sunnylands, the Annenbergs’ winter estate in the desert of Rancho Mirage, California. But it gave him even greater joy to share the paintings with much wider audiences, as they were in a famous exhibition at the Tate Gallery in London early in his ambassadorship, later at the Philadelphia Museum of Art and the Los Angeles County Museum of Art and now permanently at the Metropolitan Museum of Art in New York. He believed passionately in making great art freely and widely accessible to the public. Indeed, that belief was the impetus for his famous pledge to the Corporation for Public Broadcasting, which grew out of a 1980 conversation with Newton Minow, then-chairman of the Public Broadcasting System. As Minow tells the story, the Ambassador told him, “Young man, if my wife and I want to see the Bruegels in Vienna at the *Kunsthistorisches*, we fly over. Most people cannot. I would like to make it possible for everyone to have the experience of seeing them.” The Annenberg/CPB Project, offering not only arts courses but a full college curriculum, was the result. In a similar vein, the Annenberg art collection,



Metropolitan Museum of Art

The Foundation follows the Ambassador's long held philosophy of "strength to strength," making grants to organizations positioned to address major social needs.

Eisenhower Medical Center

coveted by the nation's finest art museums on both coasts, wound up at the Met in New York because that was where they could be seen by the largest audiences. As editor of *The Philadelphia Inquirer*, Walter Annenberg had waged a long and ultimately successful editorial crusade to open the famous Barnes Foundation art collection in a Philadelphia suburb to public view in the 1950s. Today the Annenberg Foundation is part of an effort to build a more accessible new home for the Barnes collection in downtown Philadelphia. This all flowed from a bedrock belief that great art, like great wealth, must be shared.

The Foundation has concentrated its health grant-making not on basic medical research, but on helping ensure that medical professionals stay abreast of advances in



their field. The Foundation's work in the health field also has a communications component. The largest health grants have gone to two hospitals, Eisenhower Medical Center in Rancho Mirage, California, and Lankenau Hospital in Bryn Mawr, Pennsylvania. Both institutions are important providers of continuing medical education for physicians and other health professionals, using 21st century technology to educate medical staff nationally and internationally.

Walter Annenberg understood how communications and modern media could create and expand opportunity. Blessed with enormous business acumen, he saw



promise where others saw only peril. *Seventeen* and *TV Guide* magazines were his brainstorms. Their success was the principal source of the benefaction that created

the Annenberg Foundation. He got into the television business – for the price of the three-cent stamp on WFIL's 1947 license application to the Federal Communications Commission, he liked to say – when all the executives at Triangle Publications counseled that the venture was too risky. It delighted him to apply those skills and foresight to the Foundation's mission for the final 13 years of his life. In philanthropy as in business, he was not afraid to take risks on behalf of an important objective, such as rallying support for public education. Embarking in 1989 on a new career as full-time philanthropist, the Ambassador said, "I have heard it said that no good deed goes unpunished, but I don't intend to let that discourage me."

3

The Philosophy

In seeking to advance the public good through improved communication, the Annenberg Foundation has followed several tenets that its founder realized were as applicable to good philanthropy as to sound business practice. There are many differences in the scale and scope of projects that the Foundation has undertaken or supported in education, the arts, civic life and health, but virtually all the work of these 15 years has been carried out under these guiding principles.

The Foundation follows the Ambassador's long held philosophy of "strength to strength," making grants to organizations and projects positioned to make a difference in addressing a major social need. Much of the Annenberg Foundation grantmaking has been designated for major institutions and initiatives with strong leaders capable of making a significant and lasting impact on a problem. The Foundation has sought partners and allies with both the vision and capacity to reach wide audiences. It sustained the Ambassador's bold partnership with the Corporation for Public Broadcasting, but extended its reach to deliver K-12 math and science course materials



The Annenberg Challenge:
Lessons & Reflections on Public School Reform (July 2002) weighed the lasting outcomes of one of the largest gifts on U.S. history, the \$500 million Annenberg challenge to improve public schools.

The Foundation has taken a big tent strategy and encouraged grant recipients to do the same.



to teachers not only in the United States but around the world.

This philosophy has not precluded the Foundation's taking risks or working by itself. By its nature philanthropy is a risk-taking business. Foundations are neither governments with the power to tax nor corporations with the capacity to sell products and generate new revenue streams. They can attempt large deeds, but they cannot sustain projects in perpetuity. To borrow a Vartan Gregorian metaphor, foundations function best as incubators, not oxygen tanks. Not every project flourishes outside the incubator but those that do benefit from being nurtured by foundations willing to take a chance on a promising albeit uncertain approach.



A lesson in ocean life at Wilson Elementary in San Leandro, CA, part of the Bay Area School Reform Collaborative

As much as possible, the Foundation has taken a “big tent” strategy and encouraged grant recipients to do the same. Engaging the public and private sectors to work collaboratively and enlisting local allies to share responsibility and help surmount obstacles enhances the prospects for success. No matter how worthy or high minded, a project cannot be sustained and extended beyond the term of the grant unless its leadership builds deep roots and relationships, clearly articulates its goals, and purposefully executes its strategy.

This engagement strategy was evident in the Annenberg Challenge, which built broad civic coalitions – teachers, principals, parents, community groups, local government officials, business leaders and college presidents – in the 18 sites across America where efforts were mounted to rescue faltering public schools. As the name suggested, these multi-million-dollar awards were challenge grants, which necessitated that local business, education and community leaders pull together to meet the terms of the match. But the coalitions that the Annenberg Challenge created were not merely fund-raisers. Their largest contributions were not monetary, but getting the wider community to understand its stake in public education and take ownership of the effort to build higher quality schools. The best of these partnerships have endured long after the five-year Challenge grants ran out.



Recognizing that in unity comes strength, the Foundation also has joined with other foundations to fund special undertakings in education, the arts and civic life. That was the case in the ongoing Bay Area School Reform Collaborative in greater San Francisco, where the Annenberg and William and Flora Hewlett Foundations worked hand in hand during the Challenge and afterwards. At a time when research increasingly points to teacher quality as a primary factor in raising student achievement, the Annenberg Foundation has partnered with the Carnegie Corporation of New York, the Ford Foundation, and the Rockefeller Foundation in sponsoring Teachers for a New Era, an effort to increase K-12 teacher quality by dramatically raising the stature and rigor of teacher education programs at select colleges and universities. The Foundation has also stood shoulder to shoulder

The Foundation has always believed that setting a good example was as important as the grants themselves.



with The Pew Charitable Trusts and the Lenfest Foundation on important civic and cultural initiatives.

The Foundation always has believed that setting a good example was as important as the grants themselves. The Ambassador understood that even the outsized grants that he and the Foundation were capable of making were insufficient to meet the country's greatest social needs. But foundations and

philanthropists could make a greater impact if they convinced others to apply themselves to the problem. Walter Annenberg wanted his gifts to inspire others to do more. At the December 17, 1993, White House ceremony heralding the Annenberg Challenge for public schools, the Ambassador pointedly acknowledged that \$500 million was not enough for the task ahead. "It will take individual giving, corporate giving and foundation giving to do the job. I believe those who control sizable funds should feel an obligation to join this crusade for the betterment of our country," he said.

The record-shattering \$50 million donation to the United Negro College Fund in 1990 was given with a 4-to-1 matching requirement. UNCF President Christopher F. Edley approached Ambassador Annenberg in 1990 seeking a \$20 million leadership gift to kick off a \$200 million scholarship drive by the organization representing 41 private historically black colleges and universities. The Ambassador had already given several million dollars over the previous decade to UNCF and to several member universities. "Twenty million is not enough. It's too small. We need a crusade," he told Edley. He wanted to make a gesture so dramatic that it would stir the national conscience to eradicate racial inequality. "If you want to awaken people to a need, you need an effective statement," the Ambassador said at the time.

The Foundation also has encouraged collaborations among its grant recipients. An Annenberg Foundation grant brought together two national education organizations, Foundations, Inc. of Moorestown, New Jersey, and the Developmental Studies Center of Oakland, California, to pursue strategies to spark improvements in charter and traditional public schools in the same districts. Foundations, Inc., has worked for



Poised to answer at Poe Elementary in Houston, TX, an Annenberg Challenge city

The Annenberg Foundation encourages the cross-fertilization of ideas and strategies across grant recipients and programs.



more than a decade on extended day enrichment programs, while the nonprofit Developmental Studies Center designs and implements in-school and after-school programs to address children's academic, ethical, social and emotional development. The nearly \$8 million, five-year grant strengthened the

capacity of both organizations to provide teacher professional development, manage comprehensive curricular change, and develop community bonds among parents, teachers, and students. Rhonda Lauer, CEO of Foundations Inc. stated, "Although there has been much discussion around the importance of education partnerships, little attention has been placed on collaboration among reform organizations to benefit students. The Annenberg Foundation recognized that a substantive, team effort of two such organizations can be a catalyst to create and sustain powerful student performance environments."

The Annenberg Foundation encourages the cross-fertilization of ideas and strategies across grant recipients and programs. Building upon the Ford Foundation's work of seeding the first local education funds to advocate for urban schools, the Annenberg Foundation became a major supporter of the Public Education Network (PEN). As the Annenberg Challenge ran its course, the Foundation saw that PEN's principal activities — building civic engagement, developing and implementing whole-school improvement strategies, creating model programs, leveraging resources, awarding grants, and seeking to enhance the standing of public schools in the community — were very similar to the most enduring Annenberg Challenge strategies. Today there are nearly 100 local education funds in 34 states and the District of Columbia, addressing the needs of urban schools that enroll 11 million students. The Public Education Network serves as the unified voice of these organizations, which work closely with school districts, parents, teachers, principals and businesses on efforts to improve the education of low-income and minority children in America's



cities. [For more details, see “Enlisting Partners for Public Education” on page 87.]

In addition to encouraging grant recipients to share strategies and ideas, the Annenberg Foundation also looks favorably on efforts that address more than one of its principal objectives. There are significant education components to many of the grants in the arts, civic life and health arena. Given the Foundation’s history and what it stands for – advancing the public well being through improved communication – it will come as no surprise that many Foundation-supported projects use the latest in communications to achieve their objectives, whether in the imaginative educational exhibits at the new pavilion housing the Liberty Bell or through the Annenberg Public Policy Center’s “Justice Talking” series of radio broadcasts and cutting-edge curricula for high school civic classes. The work and the venues vary, but the philosophy and the objectives are the same: helping the American people lead stronger, healthier, more successful lives.



The Foundation is a longtime supporter of WETA, public television in the nation’s capital, and its public affairs programming, including veteran journalist Frank Sesno’s probing *Sesno Reports*.

4

Carrying on the Legacy

The Ambassador was a hands-on chairman, president, sole director and chief investment officer. Even as the grant-making accelerated, the Foundation's assets tripled under his stewardship. Upon his death on October 1, 2002, at the age of 94, Leonore Annenberg, his wife and partner of 51 years and former U.S. Chief of Protocol, became chairman, president and sole director of the Foundation, with Wallis Annenberg, the Ambassador's daughter, serving as vice president. Grandchildren

The work and the venues vary, but the philosophy and objectives are the same: helping the American people lead stronger, healthier, more successful lives.



Left: Annenberg School for Communication at the University of Southern California



Right: California Science Center

Lauren Bon, Charles Annenberg Weingarten and Gregory Annenberg Weingarten also serve on the Board of Trustees. Executive Director Gail C. Levin leads a 12-person staff at the Foundation's headquarters in Radnor, Pennsylvania, and Wallis Annenberg oversees the Los Angeles office with the assistance of Managing Director Leonard J. Aube. The Foundation has always operated with a smaller staff than foundations with comparable assets and grant portfolios. This reflected the Ambassador's strong belief

in minimizing overhead in order to maximize spending on the principal objectives. The Annenberg approach has been to look for people, organizations and institutions deeply knowledgeable about the needs of education, the arts, civic life and health, and give them sufficient resources to accomplish important missions. The Foundation has sought to keep the delicate balance between knowing when to stay in the background and let others who share its passions and objectives take the lead, and when it must step in and exert leadership if a worthy enterprise is to stay on track.

One of *Poor Richard's Almanac's* maxims was to "Speak little, do much." While the Ambassador sometimes gave large sums anonymously and politely declined far more often than he agreed to having buildings or programs bear the family name, he also believed in public philanthropy, that is, making gifts in a way that inspired others to give. Often he presented a major donation as a challenge grant to spur the recipients to attract other donors and resources. While his philanthropy and public service brought many honors, including the Presidential Medal of Freedom, Walter Annenberg was neither consumed by a need for publicity nor overly concerned about image. As someone with newspaper ink in his blood, he was accustomed to being written about, favorably and unfavorably, fairly and unfairly, as publisher, as ambassador and as philanthropist. He accepted the sweet with the bittersweet, and invariably did what he thought was right. The Ambassador took pains to see that the Foundation's grants were scrupulously nonpartisan and above reproach. "Giving has been a joy for me, and especially so because I have been personally involved in making the gifts," he said in 2001. "Moreover, I understand that my Foundation is entrusted with public funds, and I have been careful to dispense these funds in support of wholesome and constructive efforts."

He was an ecumenical giver. He once told a *TV Guide* editor, "I made my money from Catholics, Protestants, Jews, whites, blacks, men and women, and I give it back the same way."

Speaking little and doing much is sound advice in philanthropy as in life. But sometimes organizations can learn from stepping back and taking stock of what they have done, and others may profit as well from their example. The thematic sections that follow provide an overview of the Foundation's work during these fifteen years in education, the arts, civic life and health, followed by thoughts on the road ahead.

The Foundation has sought to keep the delicate balance between knowing when to stay in the background and let others lead, and when it must step in and exert leadership to keep a worthy enterprise on track.



Joint Session of Congress
in New York City,
September 6, 2002





Creating Opportunities in Education

making
schools better and expanding
access to higher education
is the best anti-poverty
program.

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SCHOOL
OF
EXCELLENCE



More than half the Foundation's grants have gone toward education. At first the Foundation focused almost exclusively on higher education, but that changed decisively a decade ago with the Annenberg Challenge. Now the Foundation is involved with education at all levels from preschool and kindergarten to high school and college. It was the Ambassador himself who decided the Foundation should work on a broader educational canvas, recognizing that inadequate preparation at the start of a child's school career can stifle the hunger to learn and shut the door of opportunity long before a pupil reaches college age.

The Ambassador had signaled as early as 1990, when he made the \$50 million challenge grant to the United Negro College Fund, that he next wanted to address in a significant way the weaknesses of urban public schools. The Foundation continued to make large grants to leading institutions of higher education, but in December 1993 the Ambassador went to the White House to announce the largest grant in a lifetime of giving: the \$500 million Annenberg Challenge for public education. Almost a quarter of the grant went to endow the Annenberg Institute for School Reform at Brown University, to fund efforts by New

American Schools Development Corporation (now New American Schools or NAS) to develop and implement comprehensive reform models, and to the Education Commission of the States to disseminate the NAS designs. The rest — \$385 million — went to 18 separate school reform efforts in major cities and to national organizations representing rural schools and promoting arts educa-



tion. These five-year grants, ranging from \$1 million to \$53 million, were eventually matched by more than \$600 million in additional funding from foundations, governments, corporations and individual donors who answered the Ambassador's call to make improving public schools a top national priority.

Although several Challenge initiatives wrapped up after five years, the Annenberg Foundation's commitment to public education has not wavered. A number of the initiatives and partnerships still flourish, and the Foundation has awarded more than \$63 million in follow-up grants to

The Houston A+ Challenge — formerly the Houston Annenberg Challenge — remains the fulcrum for an ambitious and effective public-private partnership to improve schools in the fourth largest U.S. city.

The Foundation remains deeply committed to improving the teaching profession.



the original Challenge entities or their successors in Boston, the San Francisco Bay area, Houston, Chattanooga, Tennessee, and New York's Center for Arts Education, as well as to the Rural School and Community Trust. The Foundation remains deeply committed to improving the teaching profession. Boston School Superintendent Thomas W. Payzant said, "The past decade has seen significant changes in the Boston Public Schools, much of which have been the result of a systemic commitment to instructional improvement through professional development. Virtually all of this work and the benefits that have resulted are a direct outcome of nearly ten years of support from the Annenberg Foundation."

One of the Annenberg Challenge's success stories was in New York City, where it championed small schools and the restoration of arts to the core curriculum. New York Networks for School Reform (NYNSR) created 60 new small public schools during the Annenberg Challenge and New Visions for Public Schools, one of NYNSR's parent organizations, has since helped establish 75 new small high schools since September 2002. "What Annenberg has done is to enable us to create an initial wedge of innovation in New York City that we've been able subsequently to build upon.

The true fruit of that grant is only now coming to the fore,” said Robert Hughes, president of New Visions for Public Schools. “The Foundation’s early support of small schools has laid the groundwork for a major public-private initiative to improve secondary school education in New York City,” said a grateful Mayor Michael Bloomberg. The Foundation has been a major contributor to the Leadership Academy that Mayor Bloomberg and Chancellor Joel Klein created to train the next generation of New York City principals. With help from Annenberg and other foundations, the Partnership for New York City – a group of 200 New York City CEOs and corporate leaders – raised \$38 million for the Academy in its first year. Leonore Annenberg, noting that 80 percent of the Annenberg Foundation funds to the 18 Challenge sites were spent on leadership training for principals and professional development for teachers, said, “The grant to the New York City Leadership Academy reaffirms our commitment to this key component of school reform.”

The Foundation remains a steadfast supporter of arts education, building on the Challenge’s success in convincing New York school authorities to restore funding for classes in music, art, drama and dance that had been stripped from

the curriculum during the city’s fiscal crisis of the mid-1970s. The Center for Arts Education, begun in New York in 1996 with Annenberg Challenge funding, has secured more than \$28 million in public and private funding and sparked an arts revival in schools in all five boroughs, becoming a national model for how to integrate the arts in wider school reform efforts. Los Angeles has a kindred, even older arts advocacy group called Inner-City Arts. Support from the Annenberg Foundation allows Inner-City Arts to offer a year-long program with California State University Dominguez Hills that prepares elementary teachers to teach art classes that capture children’s imaginations. These teachers attend hands-on art workshops, work in teams on lesson plans, get guidance from mentors and collaborate on ways to incorporate the visual and performing arts into curricula. They also engage with the artists from the Inner-City Arts’ staff.

During the Annenberg Challenge, the Foundation saw the potential of community groups and parents to act as active partners with schools in creating the conditions necessary for all children to learn at high levels. The Annenberg Foundation created the Boyle Heights Learning Collaborative in Los Angeles

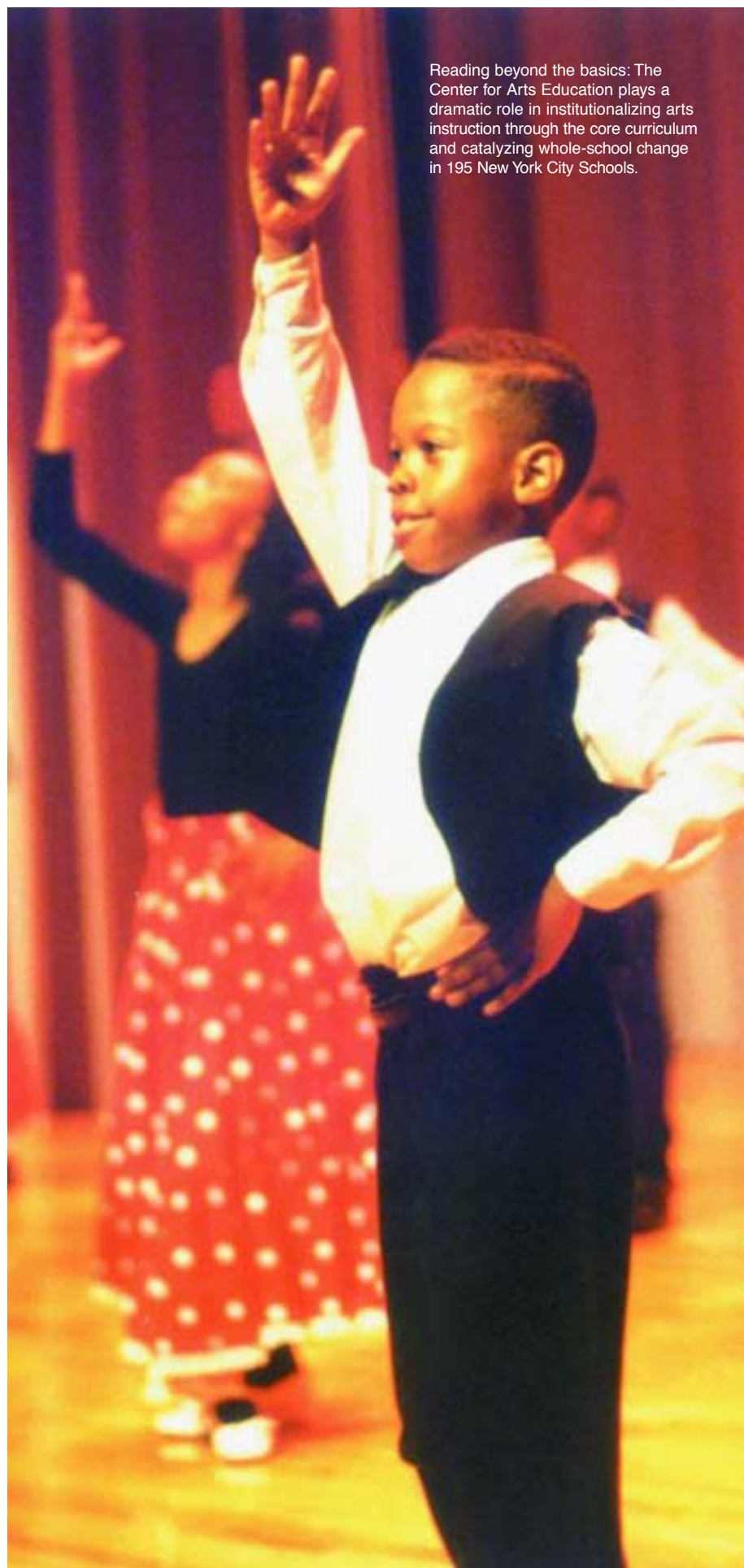


80 percent of the Annenberg Foundation funding to the 18 Challenge sites was spent on professional development for teachers and leadership training for principals.

and the Mechanicsville Community Learning Collaborative in Atlanta to develop a model of community-school organization. The initiative continues to build the capacity of parents, the community, and the schools to simultaneously advance the quality of learning in schools and the quality of life.

The Foundation made a \$2 million grant to the United Negro College Fund in 2003 to bolster the teacher training programs at member colleges and help public schools in their communities recruit and retain minority teachers. The Foundation has invested \$7 million in an “Early to Learn” initiative that will facilitate the development of high-quality learning environments for over 9,500 young children from some of Philadelphia’s poorest neighborhoods. By providing intensive, center-based technical assistance to teachers and directors, creating new parent engagement techniques, and ensuring smoother transitions to elementary schools, the initiative will enable more young children to start school prepared.

The Rural School and Community Trust, which grew out of an Annenberg Challenge grant, remains a strong national advocate for the millions of children and



Reading beyond the basics: The Center for Arts Education plays a dramatic role in institutionalizing arts instruction through the core curriculum and catalyzing whole-school change in 195 New York City Schools.

teenagers who attend schools in small town and rural America. The Trust was named one of America's top 100 charities by *Worth* magazine in December 2002 and has drawn support from a dozen major foundations. A recent \$3 million Annenberg grant went to strengthen the Trust's influential Rural Education Finance Center, as well as to support professional development for teachers and create a Rural Civic Engagement Center for students.

The Annenberg Institute for School Reform at Brown University – endowed with \$50 million from the original Challenge grant and ably led by Warren Simmons – concentrates on redesigning and reinvigorating large urban school districts. The Institute conducts research and provides technical assistance to those working on the front lines of school reform in the nation's largest cities. In addition to redesigning districts, the Institute provides leadership training for teachers, principals, superintendents and community members; helps rethink accountability in ways that link changes in policy and practice to evidence that guides continuous school and student improvement; and fosters community-centered approaches to education reform. Simmons and Marla Ucelli, director of the Institute's district redesign

program, wrote in an Op-Ed column in *The Washington Post*: "Transforming the schools requires building and feeding strong, instructionally focused leadership in the classroom, school and central office. It means constructing new and more productive relationships with unions. And it means securing collaboration with municipal leaders, community and faith-based organizations, businesses, city agencies, parents and families." With support from the Carnegie Corporation of New York and other foundations, the Institute has convened a National Task Force on the Future of Urban Districts that brings leading academics and school administrators together to seek innovative ways of organizing and supporting networks and communities of high-performing schools.

The Challenge's most important contribution was the unmistakable signal it sent that public schools were as worthy of private and corporate philanthropy as higher education or the country's greatest symphonies, ballets and museums. It brought new strength, resolve and allies to the long and arduous task of making public schools better. Unquestionably it is one reason why school improvement remains a national priority, twenty years

The Challenge sent the unmistakable signal that public schools were as worthy of private and corporate philanthropy as higher education or the country's greatest symphonies, ballets, and museums.



High school fishery in Lubec, Maine supported by the Rural School and Community Trust



At the University of Southern California's Annenberg School for Communication, adjunct instructor Victor Webb cues the cameras during a TV production class.

after *A Nation At Risk*. The Challenge helped convince a generation of corporate and foundation leaders not to sit out this effort or leave it to government alone. It breathed life into school-community partnerships and laid the groundwork for progress now being made in raising standards. Carnegie's president Vartan Gregorian, at the Third Annual Walter H. Annenberg Symposium at the University of Southern California on March 13, 2003, spoke only half in jest when he said, "No Child Left Behind" is actually Walter's idea. ... He built a highway where every reformer had a place to drive."

The Foundation remains a stalwart supporter of higher education. Institutions of higher education have received more than a third of all Annenberg grants since 1989. While scores of colleges and universities have benefited, by far the largest sums have gone to the University of Pennsylvania, home of the first Annenberg School for Communication and the decade-old Annenberg Public Policy Center, and to the University of Southern California, home to both an Annenberg School for Communication and the Annenberg Center for Communication, a cross-disciplinary institute that explores ways in which

communication technology affects education, law, science, engineering, health-care, arts, entertainment and politics. Each year at campuses from Stanford and Brandeis universities to Pine Manor College and Xavier University of Louisiana, hundreds of undergraduates and graduate students pursue degrees on scholarships funded by Annenberg gifts and endowments. Thousands more learn from distinguished faculty members who hold Annenberg chairs. At Harvard, a Foundation grant paid not only for scholarships and seminars, but provided for the restoration and transformation of sprawling, gothic Memorial Hall into a vibrant center of activity on the Cambridge campus. That "great bristling brick Valhalla," as Henry James called it, now houses the dining commons for the entire freshman class that is named for the late Roger Annenberg '62, the Ambassador's son. Former Harvard University President Neil L. Rudenstine called the Annenberg gift "one of the most significant in the course of my tenure at Harvard." It not only restored an architectural treasure, but "made an enormous difference to the experience of freshmen at Harvard, and was a genuinely transformative act," he said.

The most innovative and almost cer-

Institutions of higher education have received more than a third of all Annenberg grants since 1989.



tainly the farthest reaching of the Foundation's efforts to expand educational opportunity was not confined to a campus or lecture hall. It was the partnership that the Ambassador formed in 1981 with the Corporation for Public Broadcasting to air college courses nationwide over public television and to make them readily available as well on videocassette at public libraries. The Ambassador once described the Annenberg/CPB Project as providing "a Harvard education at one-tenth the cost." It was a dream that first seized his imagination back in 1951, when he arranged for WFIL-TV to begin broadcasting college courses five days a week over the Philadelphia airwaves. At Annenberg's urging, the station managers enlisted a score of Philadelphia-area colleges and universities to tape lectures for the *University of the Air*, reasoning that the exposure would bring the campuses more students and tuition revenue. WFIL won Dupont Awards both for *University of the Air* and a second show, *Studio Schoolhouse*, aimed at younger audiences. Educational broadcasts became a staple of the television stations that Triangle Publications owned in New York, Connecticut, California and other Pennsylvania markets, and educators and television executives elsewhere

The Annenberg/CPB Project provides "a Harvard education at one-tenth the cost."



copied the *University of the Air*.

As envoy to the Court of St. James from 1969 to 1974, the Ambassador became even more convinced of distance learning's enormous potential. Great Britain's Open University began airing full-credit college courses on the BBC in 1971, several years after then-Prime Minister Harold Wilson first proposed the experiment. It had been famously denounced in the planning stages as "blithering nonsense" by a prominent member of Parliament, but wound up with enthusiastic bipartisan support, even before 25,000 students signed up in the first year. At the time all of Britain's universities had space for just 113,000 students. Today the Open University enrolls 200,000 students – nearly a quarter of Britain's higher education enrollment. It has awarded 293,000 undergraduate and 32,000 advanced degrees and repeatedly receives high accreditation marks. The Ambassador also was struck by the impact of Kenneth Clark's 13-part *Civilization* series, first aired in Britain in 1969 then shown to acclaim on public television in this country after the U.S. commercial networks turned it down.

The Annenberg/CPB Project, launched in 1981, would help put the dream of a

college education within reach of teenagers and adults across the United States. To date, more than 2 million Americans have taken Annenberg/CPB courses for credit, and more than 100 million have furthered their education by watching the courses on public television or borrowing them on video cassette and DVDs from public libraries. A 1984 telecourse on "The Brain" ultimately attracted 40 million viewers, and 21 million watched "Race to Save the Planet" in 1990. In the 1990s, Annenberg/CPB turned its focus to improving math and science instruction in U.S. elementary and secondary schools. This past year more than 400,000 students from 11,000 classrooms in all 50 states and the 11 Canadian provinces participated in the award-winning *Journey North* project to track the migratory path of Monarch butterflies, robins, whooping cranes and other birds and mammals across North America. Annenberg/CPB supported *Journey North* through its explosive growth since 1991 and continues to host the project.

Today the Annenberg/CPB Channel broadcasts by satellite 24 hours a day a full range of courses and provides professional development for teachers in thousands of schools across the United States

**More than
2 million
Americans
have taken
Annenberg/
CPB courses
for college
credit.**



and in more than 70 other countries, including Afghanistan, where young girls and women learn mathematics with the help of Annenberg/CPB materials in schools rebuilt or opened since the fall of the Taliban. Some things come full circle: the Annenberg/CPB Channel, with its array of resources for K-12 classroom teachers, is now a model for Britain's planned Teachers' TV, the first channel in Europe dedicated to the teaching profession. Annenberg/CPB Director Scott Roberts, in a letter to Ambassador Annenberg, summed up the unique partnership with Annenberg/CPB:

We have used the new electronic media to improve American education, expanding what can be taught, the ways it can be taught, and the number of learners for whom it can be taught. Your own pioneer awareness of the power of television set the stage for us....One thing has remained fixed through the course of these twenty years, and that is our relentless pursuit of the educational goal you gave us: to use media and telecommunications to make sure all Americans, especially American youth, receive a high-quality education.

Today, the Foundation continues to look for ways that modern communica-



An Annenberg grant helped the United Nations Association of the United States of America bring its Global Classrooms: Model U.N. program to urban high schools.

tions and technology can expand educational opportunity and quality. This fall it gave \$25 million to the California Institute of Technology to harness the wealth of new knowledge gathered by scientists and humanists alike in this age of information. Caltech will use the grant to build on its Pasadena campus the Walter and Leonore Annenberg Center for Information Science and Technology to house the nation's first integrated research and teaching initiative in information science and technology. David Baltimore, the Nobel Prize-winning biologist and president of the university, said, "Information science, the understanding of what constitutes information, how it is transmitted, encoded and retrieved, is in the throes of a revolution whose societal repercussions will be enormous." The Annenberg Center will help Caltech scholars and students in their quest for new ways to grasp and mine this new knowledge about ourselves and our universe.

The Foundation has invested in efforts to harness new communications techniques to improve high school instruction. A recent \$1.5 million grant to the Coalition of Essential Schools – the network of 600 schools that have embraced the student-as-worker, teacher-as-coach approach

and other school reform precepts championed by founder TedSizer — will be used to develop interactive video clips to demonstrate exemplary practice in high school instruction and increase teachers' and principals' understanding of the Coalition's principles in action.

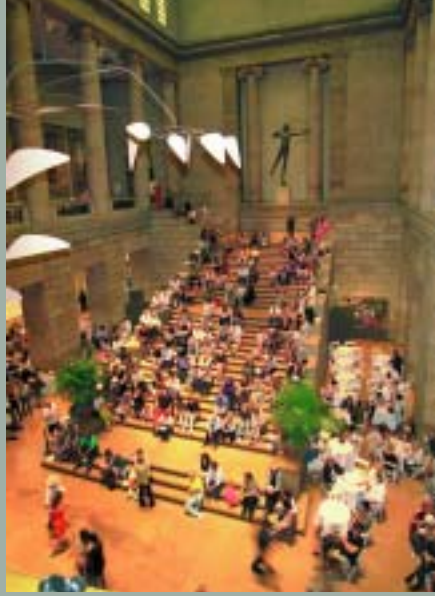
There are other strands to the tapestry of the Foundation's education work, from helping the United Nations Association bring its Global Classrooms: Model U.N. program to inner city schools, to bringing promising students from Los Angeles high schools onto the USC campus for summer enrichment, to support for the incisive *Marrow Report* public television documentaries that explore education problems and solutions. John Marrow, the host and executive producer, is an author and former high school English teacher who is widely regarded as one of the nation's top education journalists. Again, with the Foundation's emphasis on using communications as a tool to improve individual opportunity and civil society, support of Marrow's work has been a natural fit with both the Foundation's education and civic work.

From preschool to postdoctoral work, the Foundation remains intent on finding and funding new ways to expand opportunity in education.

"Information science... is in the throes of a revolution whose societal repercussions will be enormous."







Sharing a Passion for the Arts

reat art,
like great wealth,
must be shared.



Children and adults made music together in the Millennium Orchestra at PS 107 in Queens, one of the New York schools enriched by the work of the Center for Arts Education.

After education, the Annenberg Foundation is associated most closely with support for the arts and culture, and the grants of the past 15 years reflect that emphasis. Walter Annenberg was passionate about sharing his love for the paintings that he and Mrs. Annenberg collected over half a century. They needed no curator or connoisseur to advise them. They chose paintings and watercolors that they loved. The Ambassador once confided to the Philadelphia Inquirer that he was partial to the Impressionists because “they were ridiculed, scorned, abused, denounced, and very few of them lived to see the tremendous respect they subsequently enjoyed.” Long before the era of eight-figure auctions at Sotheby’s or Christie’s, ownership of great works of art was beyond most people’s reach, but great love and appreciation of art are available to all. The Foundation, following Walter and Leonore Annenberg’s example, has sought to make it possible for more people to enjoy the arts both through gener-

ous support for museums and spirited advocacy for arts education in K-12 schools.

The Foundation’s philanthropy in the arts stems from the belief that art fuels the imagination and allows people to envision new places, worlds and ways of thinking. Interaction with art, whether in a classroom, museum or studio, elevates and uplifts people’s lives. It is what makes a society not merely civil but civilized. The Foundation’s giving in the arts has always reflected a deeply held belief that great art belongs to the public. Ensuring public access is essential to give people the opportunity to create and to appreciate art. This is why so many of the Foundation’s art grants to even the most august arts institutions have stressed outreach and education as much as acquisition. This grant-making takes many forms, from support for a museum’s own education programs to inclusion of the arts in school curricula as well as after-school and summer enrichment programs. America’s schools must be places where children learn to paint, dance and play an instrument even as they master reading, math, computers and science.

Education *in and through* the arts is compatible with the goals of improving

The Foundation’s philanthropy in the arts stems from the belief that art fuels the imagination and allows people to envision new places, worlds and ways of thinking.





The Foundation purchased Vincent Van Gogh's "Wheat Field with Cypresses" in 1993 for New York's Metropolitan Museum of Art.

students' literacy and numeracy.

Teaching *in* the arts provides students with knowledge of arts disciplines.

Education *through* the arts allows for the education of subject areas such as math, literature, or science through the utilization of arts and hands-on learning strategies. A lesson on the history of the Mexican revolution is enriched by study of Diego Rivera's murals. A student could gain further insight by creating a mural of a current event while considering color and texture to derive an emotion. Students' experience with the art form enables them to imagine and learn more deeply.

In addition to supporting a myriad of cultural institutions in the United States, from the John F. Kennedy Center for the Performing Arts in Washington to the Immigration Museum for New Americans in San Diego, California, the Annenberg Foundation has bestowed major grants on several of Great Britain's finest museums and galleries, including a \$9.5 million gift that brought touch screens and other 21st century research tools to the British Museum's famed Reading Room. The first stop for many visitors is now the Walter and Leonore Annenberg Information Centre. The Foundation last spring gave the National

Gallery of London \$5 million to support major renovations to its East Wing. In recognition of this grant and an earlier \$5 million gift by the Ambassador, the new entrance hallway will be called the Walter and Leonore Annenberg Court. The Foundation also has provided a \$5 million endowment for the upkeep of Winfield House, the home of the U.S. ambassador. Another grant is helping refurbish historic St. George's House in Windsor Castle.

In addition to the Annenbergs' art collection, the Metropolitan Museum of Art has received \$120 million in Foundation grants since 1989, principally to add treasures to its great collections, including Van Gogh's "A Pair of Shoes," purchased for \$11 million in 1992, and the artist's "Wheat Fields with Cypresses," purchased for \$57 million in 1993. A \$5 million grant in 1991 paid for major renovations to the Met's second-floor European galleries. In an effort close to its communication heart, the Foundation provided \$4 million in 1995 to help the museum and its art education programs advance more rapidly into the digital age. The Great Hall underwent renovations that gave the Met new space for its Center for Imaging and Photography, improved its in-house digi-

Education *through* the arts allows for the education of subject areas such as math, literature, or science through the utilization of arts and hands-on learning strategies.



Great Court at the British Museum



The great Italian tenor Luciano Pavarotti singing at the Metropolitan Opera. The Annenberg Foundation stepped in to preserve the tradition of Saturday afternoon radio broadcasts from the Met. It also has supported the Philadelphia Orchestra, the Academy of Music and the Kimmel Center.

tizing system, and threaded a fiber optic network throughout the museum. The most recent grant – a \$2.5 million gift – allowed the Met to restore visiting hours to the pre-9/11 schedule, which had been curtailed due to a decrease in available city funds and heightened security costs. The Annenbergs both were emeritus trustees of the museum, which draws 5 million visitors a year to its 2 million-square-foot home in Central Park. Metropolitan Museum of Art Director Philippe de Montebello summarized what the Annenbergs and the Annenberg Foundation have meant to the Met:

For more than four decades the Annenbergs demonstrated, on a breathtaking scale, their passion for art and their support of this institution. Walter and Leonore Annenberg based their philanthropy at the Metropolitan on the understanding that great museum collections remain great by continuing to evolve and grow. Through a series of landmark gestures – gifts of works of art from masterpieces by Van Gogh to masterpieces of Asian sculpture, along with major grants for acquisitions – they have supported the very heart of the Metropolitan Museum....

Mr. Annenberg's motto was "strength to strength," a legacy that extends to the Annenberg Foundation's recent gifts to build our collections and keep our galleries open. These grants and the Foundation's broader commitment to education in the arts have had a profound impact on the public we serve and will continue to enhance the Metropolitan Museum for generations to come.

The Foundation also came to the aid of another iconic New York cultural institution, the Metropolitan Opera, when Texaco (now ChevronTexaco) bowed out as the longtime sponsor of the Opera's live Saturday afternoon radio broadcasts. A timely \$3.5 million Annenberg grant helped keep the Opera on the air for 2004-2005 while the opera's leaders mount a drive to secure its financial underpinnings. A single matinee seat in the Metropolitan Opera House costs from \$40 to \$315 per performance, but for 73 years opera lovers from all walks of life have tuned in for free to the radio broadcasts, now heard by an estimated 10 million people in 42 countries. The more than 1,400 broadcasts of 150 different operas at the Met since 1931 make this the longest run-



The Annenberg Foundation

Annenberg endowment grants help ensure that the Los Angeles Philharmonic will perform not only inside the dramatic, shimmering, Frank Gehry-designed Walt Disney Concert Hall, but also in public schools and classrooms across Los Angeles for generations to come.



ning series in broadcast history.

The Annenberg Foundation has played an outsized role in the artistic and cultural life of two other great American cities, Philadelphia and Los Angeles. In its hometown, it has been a mainstay of both the Philadelphia Orchestra [*for more details, see “Innovation in the Concert Hall” on page 105*] as well as the Philadelphia Museum of Art. Both of these world-class institutions have received major endowment gifts from the Annenberg Foundation – \$60 million for the famed symphony and its education programs and \$50 million for the art museum that rises majestically over the Schuylkill River and Fairmount Park. The latest gift to the art museum included funding for an ambitious technology initiative that will give the public access to digital photographs and on-line information about every work of art in the museum’s enormous collections. Anne d’Harnoncourt, director and chief executive officer of the Philadelphia Museum of Art, said, “The Foundation’s thoughtful, civic-spirited generosity has challenged and transformed the Philadelphia Museum of Art, as it has major museums across the world, from New York to Los Angeles, from Versailles to the British Museum.”

She went on: “Successive generations have contributed to the growth of this great Museum since its founding in 1876; it is the Annenberg Foundation which has set the standard for visionary yet judicious support at the turn of the 21st century.”

The Foundation gave the Los Angeles Philharmonic Association \$8 million in 2004 to create and endow the Roger Annenberg Fund for Children’s Education, ensuring that classical music will remain part of the education of thousands of Los Angeles area school children for generations to come. Income from this gift will ensure the vitality of this renowned orchestra’s School Partners and Symphonies for Schools programs. The Los Angeles Philharmonic performs free concerts each year for students in grades 3-12 in its glimmering new home, the Frank Gehry-designed Walt Disney Concert Hall in downtown Los Angeles, the entertainment capital of the United States.

The Los Angeles County Museum of Art is home to the most extensive collection of art in the western United States. Perched in an eclectic web of buildings on Wilshire Boulevard, it draws crowds not only to its galleries but also to the



Much of the Annenberg Foundation’s support for great orchestras, such as the Los Angeles Philharmonic, has helped win new audiences for classical music, including school children.



The Los Angeles County Museum of Art draws crowds to view the largest collection of art west of the Mississippi.

lectures, concerts, film series and art classes that make LACMA a hub of the city's cultural life. With two \$10 million gifts over a decade as well as a \$1 million grant to endow curatorial fellowships, the Foundation has provided more than 20 percent of the museum's endowment. Befitting the Annenberg style of trusting grant recipients to know best how to operate their enterprises, it made these contributions largely without strings. Andrea L. Rich, the president and Wallis Annenberg Director of LACMA, explained what that has meant to the fast growing public museum in the heart of Los Angeles:

Staggering as this level of contribution is to the total financial structure of the museum, even more valuable to the institution is the nature of these gifts.

... Endowment gifts are notoriously difficult to raise, yet increasingly imperative in a world where public support of the arts is incessantly unpredictable.

Rich went on:

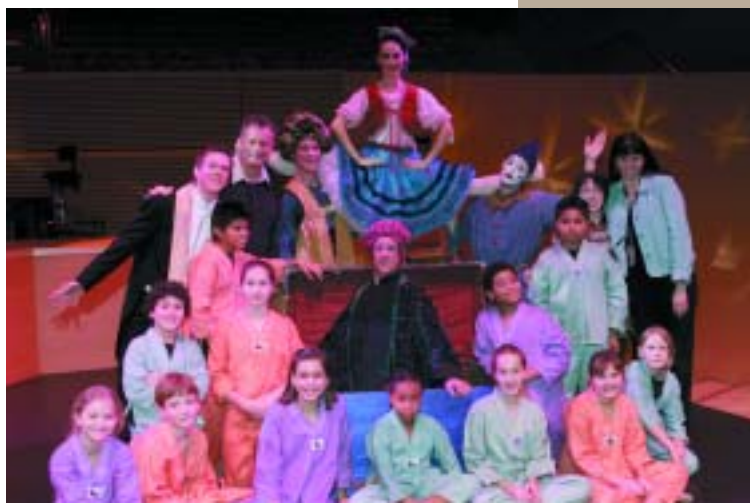
A major portion of the funds were gifted to be used at the director's discretion. At a time when so many fund sources are highly restricted, the ability of management to have flexible resources to respond to opportunities with agilities is essential to creative

leadership... [All] have been directed to the museum's core mission of art acquisition, art exhibition, and art education. There has been consistent and absolute harmony between the priorities of the museum and the intent of the funds....

I believe that the support LACMA has received from the Annenberg Foundation serves as a model for effective philanthropy. It has provided this institution, on a significant scale, with financial stability, managerial flexibility, and core support. As LACMA ascends in distinction among the world's great art museums, it will be in no small measure due to the scale and quality of the Annenberg Foundation's philanthropy.

Other Los Angeles arts institutions also can attest to the Foundation's cultural philanthropy. A \$15 million Foundation grant will help transform the landmark Beverly Hills Post Office building into a performing arts and cultural center for theater, dance and music. The century-old Italian Renaissance Revival building next to City Hall now will

The Los Angeles County Museum of Art is a people's museum that draws throngs not only to its large art collection but also to a panoply of lectures, concerts, classes and film series.





A visitor to the Los Angeles County Museum of Natural History experiences a multimedia exhibit: *LA Light/Motions/Dreams*.

house a 500-seat jewel box theater, a 150-seat studio theater/rehearsal hall, classrooms and other facilities for children and adults. The center will be an asset and attraction not only for Beverly Hills residents but the many visitors drawn to the municipality famed for its shops, architecture and place in movie and television lore. The Cultural Center will be named for Wallis Annenberg, a lifelong resident who said, “My father’s greatest legacy to me is a love for the arts and an appreciation for their impact and value in each of our lives. I am proud to be a part of the artistic vision that the Beverly Hills Cultural Center Foundation embodies.”

The Foundation gave the Santa Monica Museum of Art \$1 million to start an innovation fund. Elsa Longhauser, executive director of the two-decade-old museum, called it “a defining moment for the museum. It gives us a certain amount of financial stability and a base of support on which we can build.”

The Foundation’s commitment to the arts is not confined to supporting museums and opera companies. A \$3 million grant is helping the Debbie Allen Dance Academy train promising young dancers

in Los Angeles. The Sundance Institute recently selected the first five Annenberg Film Fellows who will receive two-year stipends and extra creative and technical support as they seek to turn promising scripts into actual feature films. The fellowships are funded under a \$5 million, five-year grant to Sundance, the non-profit incubator of new films and filmmakers that actor Robert Redford founded two decades ago. *[For more details, see “Helping Storytellers Find Their Voice” on page 111.]*



McCallum Theatre

We the People
in Order to form a more perfect Union,
insure domestic Tranquility, provide for the common defence,
promote the general Welfare, and secure the Blessings of Liberty
for Posterity, do ordain and establish this Constitution
for the United States of America.





Answering the Call of Citizenship

By building
civic engagement and
preparing the next generation
of civic leaders, we assure the
world's most vibrant democracy.

The inartimous Declarati

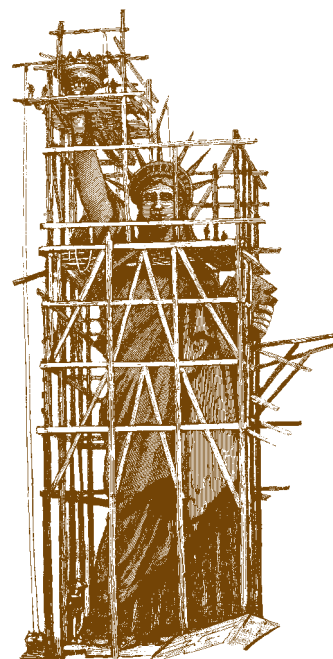
Where in the course of human events, we assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, we hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. — That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, — That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly, we have recourse to the remedy of a change, only when the long train of abuses and usurpations, pursuing invariably the same arbitrary system, have given us the undeniable right to consider them as a design to reduce us to absolute Tyranny, — that we are obliged to interrupt their connection with Tyranny, and to throw off such Government, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.



In a multimedia theater-in-the-round, the National Constitution Center on Independence Mall tells the story of "Freedom Rising" from Revolutionary War days to current times.

Moses L. Annenberg, Walter Annenberg's father, was 8 years old when he first glimpsed the unfinished Statue of Liberty in New York Harbor in 1885 from the deck of a steamship bearing the Annenberg family to a new life in America. They had fled a Prussian village to escape anti-Jewish pogroms spiraling from tsarist Russia. By 1908, the year Walter was born in Milwaukee, Moses Annenberg was a prosperous newspaper distributor and soon to become a publisher. The Annenberg children – Walter and seven sisters – would grow up as the children of a millionaire. Walter Annenberg would inherit his father's newspaper holdings in 1942, restore them to financial health and grow the family fortune many times over with new ventures in magazines and television. He was forever grateful to the country that took the Annenbergs in and afforded such opportunities. He kept an engraved plaque on his desk at the *Philadelphia Inquirer* and later in the sunswept corner office at the Annenberg Foundation that read: *Cause my works on earth to reflect honor on my father's memory.*

The Ambassador once said, "I regard my philanthropic work as an investment in the future of America. It is the most



It was natural, then, for the Foundation to make civic and community life a principal focus of its grant-making.

effective way I can serve my country and help to ensure its benefits for the next generation." It was natural, then, for the Foundation to make civic and community life a principal focus of its grant-making. It has carried out this part of its mission by making a series of large grants for museums and exhibits at such temples to democracy as the Liberty Bell pavilion and the new National Constitution Center on Independence Mall, as well as for the massive Capitol Visitor Center now being constructed beneath the east plaza of the U.S. Congress. It has both celebrated and examined democracy through the programs and activities of the Annenberg Public Policy Center at the University of Pennsylvania, with its \$10 million Civic



Top: Student Voices Program of the
Annenberg Public Policy Center

Bottom: The National Constitution Center

The practice and understanding of American democracy must be transmitted from one generation to the next, making each generation of civics educators vitally important.

Identity Project that is breathing new life into high school civic classes. That project, also supported by The Pew Charitable Trusts, has produced a *Student Voices* curriculum that invites students to discuss local political issues and concerns directly with their elected officials and candidates. The Annenberg Public Policy Center also sponsors the award-winning *Justice Talking* series on important issues facing the nation's courts, which are broadcast over National Public Radio and come with their own curriculum to spark discussions and learning in high school classrooms.

This year, an Annenberg Foundation pilot program in civic education gives selected high school teachers in Columbus, Ohio, central Virginia, and New York City the opportunity to explore new resources and innovative teaching methods. The sixty participating teachers, with three to ten years' teaching experience, are mentored by a senior colleague from their own district for the entire academic year. The program began with an intensive, 10-day summer institute in Washington, D.C., and continues in biweekly seminars

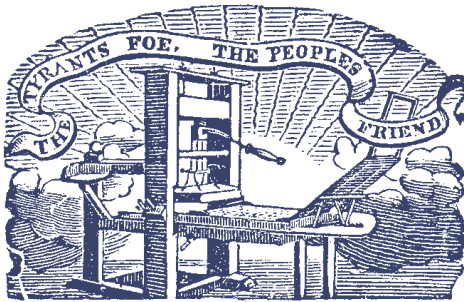
in each location, where all the participants discuss and test teaching strategies and curricular resources. The practice and understanding of American democracy must be transmitted from one generation to the next, making each generation of civics educators vitally important. By enlisting their talents, providing optimal teaching tools and supporting new strategies, the program reinforces a common goal: that all American students will learn what it means to be informed, engaged citizens.

During the summer institute, the young teachers met and exchanged ideas with Senator John McCain (R-Arizona) and Representative John Lewis (D-Georgia), as well as with the dean of Washington reporters, David Broder of The Washington Post. One Fellow wrote at the institute's end, "I feel so empowered and respected. I can't believe that Annenberg can take what I do and value it so much." Another said, "No one in my district cares much about these issues or anything except testing. I know that I will never have a better professional development experience." Senator McCain, the former prisoner of war in Vietnam and presidential hopeful in 2000, told the teachers, "Nobody in the country is doing more important work than you are." Sanford



Horwitt, director of the civic education project, said the first institute helped these early career teachers “recognize that they are at the forefront of a new, national mission. The mission is not only to produce better government teachers, but also to revitalize citizenship and American democracy.”

Among the resources the teachers will use are the Annenberg/CPB series *Making Civics Real* and *Democracy in America* as well as *Student Voices* from the Annenberg Public Policy Center.



The Foundation has been a regular and reliable contributor to the nation's growing network of presidential libraries, which drew 1.4 million visitors last year. It has made 44 grants totaling more than \$25 million to the libraries of former presidents, from Harry Truman, Richard Nixon and Jimmy Carter to Ronald Reagan, George H.W. Bush and William J. Clinton. These libraries serve as windows not only on that particular presidency but entire eras in U.S. history. A separate

\$1 million grant from the Foundation helped underwrite a tour that brought to the presidential libraries an original copy of the Declaration of Independence for special exhibit. Television producer and civil liberties activist Norman Lear spent \$8 million purchasing this copy of the so-called Dunlap broadside — one of only 25 extant copies of the Declaration of Independence printed in Philadelphia in 1776 -- and has displayed it across the country as part of a nonpartisan campaign encouraging young people to vote.

The Foundation has sought in many other ways, small and large, to encourage and inculcate the habits of good citizenship. It underwrote \$1 million of the costs of bringing hundreds of members of Congress to New York City for a special joint session of Congress in Federal Hall — where George Washington took the oath of office on April 30, 1789 — for a solemn commemoration of the first anniversary of September 11, 2001. It was a remarkable day, a day when patriotism dispelled partisanship, a day that reminded Americans of all that unites them. Inside the august Greek revival hall, Senator Thomas Daschle (D-South Dakota) said, “Let history record that the terrorists failed.” Senator Trent Lott (R-Mississippi) captured the sentiments of all his colleagues





The Foundation supports presidential libraries and centers as part of its mission to foster civic education.

Top: William J. Clinton Presidential Library

Center left: Ronald Reagan Presidential Library

Center right: George H. W. Bush Presidential Library

Bottom left: Gerald R. Ford Presidential Library

Bottom right: The Carter Center





Joint Session of Congress in NYC.



Colonial Williamsburg



Liberty Bell Pavilion



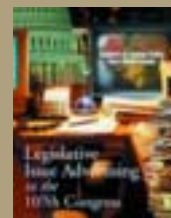
when he said, “From this city’s day of horror, out of all the loss and sorrow, has come a strength . . . a resolve, a determination which, from Manhattan to Mississippi, now binds us together for the mighty work that lies ahead.” The Foundation also contributed \$1 million to help pay for the security upgrades that finally allowed the Statue of Liberty to reopen to tourists this summer after being closed for almost three years.

Through the Annenberg Foundation Trust at Sunnylands, the Foundation has supported bipartisan civility retreats for lawmakers in Washington as well as in California after the bitterness of the 2003 gubernatorial recall election, with the aim of encouraging more discourse and less quarreling among elected representatives. Civility is a quality sorely lacking in the attack ads and strident one-minute speeches that often dominate the political airwaves and debates. The Annenberg Public Policy Center, led by Director Kathleen Hall Jamieson, one of the nation’s most respected analysts of political discourse, plays an important watchdog role on the accuracy of those political ads through FactCheck.org, the non-partisan, web-based service that monitors political ads, debates, speeches, interviews, and news releases. Through its web site and

e-mail distribution list, FactCheck can immediately let the media and the public know when the politicians play loose with the truth. Its goal is “to reduce the level of deception and confusion in U.S. politics,” and it relies entirely on funding from the Annenberg Public Policy Center.



The Foundation, through major grants to WETA, the public television station for the nation’s capital, has helped “Washington Week” and its journalists’ roundtable bring cogent political analysis to the airwaves each week, along with other public affairs, cultural and educational broadcasts from the White House, the Kennedy Center and other Washington landmarks. The Foundation also provided a \$200,000 grant for William F. Buckley’s “Firing Line,” which elevated the political discourse during the many years it ran on public television. A \$5 million Annenberg grant in the early 1990s helped WETA weather a financial crisis and unite its scattered offices and production facilities under one roof. “At a crossroads in WETA’s history and at a time of urgent need, the Annenberg Foundation was a singular beacon of light and hope,” said



FactCheck plays a nonpartisan watchdog role on the accuracy of political ads and discourse.

The Annenberg Foundation



The Foundation brought its passion for community partnerships to recent work, including the Blue Planet Initiative on behalf of the environment.

Top: Santa Catalina Island Conservancy, Monterey Bay Aquarium's Seafood Watch Program, Cabrillo Marine Aquarium

Middle: California Science Center, United Way of Southeastern Pennsylvania, Museum of Jurassic Technology

Bottom: Philadelphia Zoo, Children's Discovery Museum of the Desert





WETA President and CEO Sharon Percy Rockefeller. It has made, she said, “an indelible impact on our diverse audience – from those who mold public policy ... to retirees intent on life long learning.”

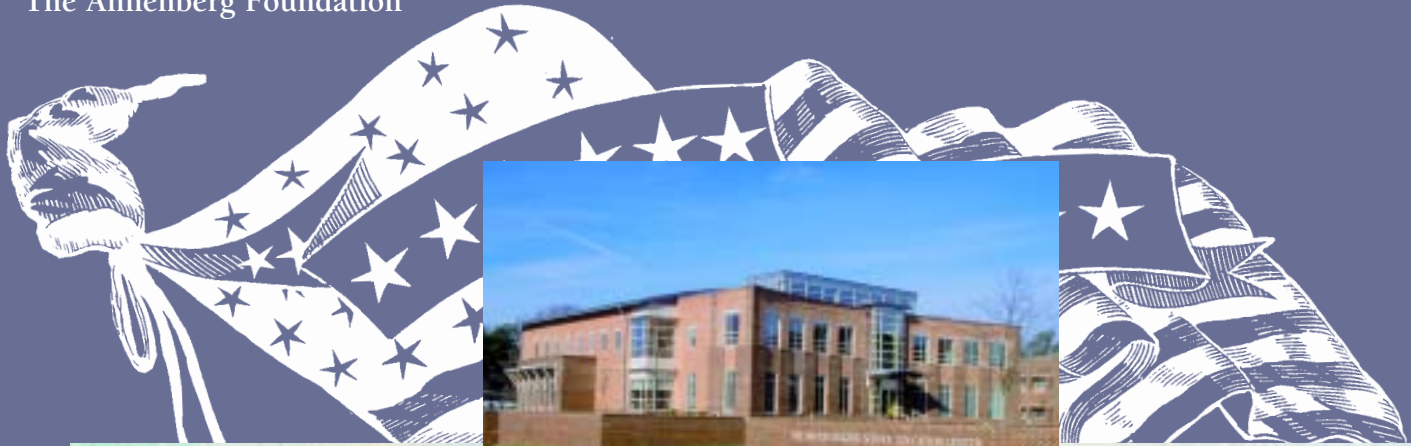
The Foundation contributed \$20 million to the revitalization of Independence Mall, including a new pavilion and educational exhibit for the Liberty Bell and the acclaimed National Constitution Center. With more than one million visitors each year, the Liberty Bell is the most visited tourist destination in Philadelphia. The historic bell long was housed in a small dome with little room for explanatory exhibits; visitors had to rely on what they heard in short talks by National Park Service rangers or what they read in pamphlets. With Annenberg help, the new Liberty Bell Pavilion features a state-of-the-art educational and interpretive facility that Former Independence National Historical Park Superintendent Mary Bomar described as “a fitting and dramatic showcase for this icon of freedom.” Now extensive exhibits tell the story of the broken bell that became an international symbol of freedom. After first seeing these exhibits, visitors walk into the adjacent chamber to view the Liberty Bell against the backdrop of Independence Hall. Attendance has soared. *[For more details, see “Bringing*

the Constitution to Life on Independence Mall” on page 117.]

The glittering National Constitution Center was greeted with acclaim by architecture critics and tourists alike when it opened on Independence Mall on July 4, 2003. The \$150 million public-private project lay dormant for nearly a decade after Congress authorized the new museum in 1988. Some doubted that Philadelphia’s civic leaders could come up with the required \$80 million in private support to match the government contribution. Then the Annenberg Foundation stepped forward with a \$10 million gift that Joseph M. Torsella, former president and CEO, said made all the difference. “It gave the project instant regional and national credibility,” he said. The center drew more than 600,000 visitors in its first 12 months.

The Foundation’s long, continuing commitment to its hometown can be seen in numerous grants to other civic and cultural institutions across Philadelphia. A \$5.5 million gift to the Zoological Society of Philadelphia will allow America’s first zoo to construct a new children’s zoo and establish an Annenberg Education Fund that will involve more students in after-school activities. The Free Library of Philadelphia received \$5 million to renovate and expand its





Top: Educational Center at Colonial Williamsburg

Bottom: The new Capital Visitors Center, a subterranean, three-level museum, will bring to life the pageantry of U.S. history. The Annenberg Foundation is one of the leading patrons of the Center's state-of-the-art interactive exhibits.

Central Branch on Vine Street, the hub of the city's 55-branch library system.

The Annenberg Foundation, along with the Pew Charitable Trusts, the Gates Foundation and the Lenfest Foundation, is underwriting the imaginative, interactive exhibits that will grace the U.S. Capitol Visitor Center, the 580,000-square-foot subterranean museum soon to open beneath the Capitol's East Plaza. Ralph Appelbaum, designer of the U.S. Holocaust Memorial Museum, is creating exhibits that will capture for young and old the pageantry of American political history. Instead of lining up outdoors in the summer heat and winter cold, visitors will be immersed in the Capitol's history even before entering the great domed edifice where U.S. laws are made. The Center also will enhance security for the nation's lawmakers, their staffs and the visiting public.

Not all of the Foundation's civic life and community building work takes place in Philadelphia and Washington. It provided a \$1 million director's endowment to the American Library in Paris. This spring the Foundation completed a \$25 million, decade-old pledge to the Colonial Williamsburg Foundation that was used in part to pay for the Bruton Heights Education Center in the reconstructed 18th century capital of Virginia. It also

gave \$100,000 to the Community Clinic Association of Los Angeles County for its homeless health care initiative.

The California Science Center, a major attraction for Los Angeles-area families and school children, is more than doubling its exhibition space and expanding its education programs with the help of \$31 million in Annenberg grants. Wallis Annenberg is co-chairing a \$140 million drive to fund a new World of Ecology, which offers a unique approach to integrated learning that combines stimulating science exhibits with live animals and plants. *[For more details, see "Lighting Sparks in Young Minds in Los Angeles" on page 123.]*

Also under the leadership of Wallis Annenberg, the Foundation has made commitments to environmental giving, including the Blue Planet initiative. It gave nearly \$5 million for 21 environmental projects, to address clean air, clean water, the oceans, and land conservation and stewardship projects in Los Angeles, the rest of California and nationally. The Foundation's move into the environmental funding arena is built on many of the values and principles that have characterized its giving over the years: fostering community partnership, demonstrating special concern for youth, and funding the best ideas from a wide range of high quality organizations.

The Foundation's move into the environmental funding arena is built on many of the values and principles that have characterized its giving over the years.



Top: California Science Center

Bottom: Catalina Island





Strengthening Health Care Quality

Lifelong
learning is essential for
medical professionals whom
patients trust with their
well being.



An ophthalmologist at UCLA's Jules Stein Institute examines a toddler's vision. The Institute provides free corrective lenses for needy children with serious eye problems.

Although best known for contributions to education, the arts and civic life, the Annenberg Foundation made more than \$45 million in grants in the last two years to medical centers and health programs, from former First Lady Rosalyn Carter's efforts to secure better treatment for those with mental illness to an innovative program at UCLA's Jules Stein Eye Institute to provide free corrective lenses to indigent children with serious vision problems. Two hospitals in particular have long benefited from the philanthropy of the Ambassador and Mrs. Annenberg and the Annenberg Foundation.

The Annenbergs personally helped spearhead the civic coalition that came together 35 years ago to support construction of the Eisenhower Medical Center in Rancho Mirage, California, near the Annenbergs' winter estate, Sunnylands. Today that not-for-profit, 261-bed community hospital is still growing to keep pace with the explosive growth in the Coachella Valley. The Foundation has supported Eisenhower's

expansion with \$40 million in grants since 2000 for a new cancer center, a larger emergency department and a new bed tower. The facilities on the medical center's 100-acre campus include the Annenberg Center for Health Sciences, which has provided continuing medical education for a quarter million medical professionals – physicians, nurses, pharmacists, dentists and others – over the past two decades. Continuing medical education conferences are held under its aegis in other parts of the country as well as at its desert home, and it also sponsors medical education programs for consumers. *[For more details, see "An Oasis of Healing and Medical Education in the Desert" on page 131.]*

The Lankenau Hospital in Bryn Mawr, Pennsylvania used \$10 million in grants to build and endow the Walter and Leonore Annenberg Conference Center for Medical Education, and it has received other support in the past for its role as a major provider of continuing medical education for physicians and other health professionals in metropolitan Philadelphia.

Support for the medical education components at both Lankenau and Eisenhower reflected the Ambassador's keen interest and belief in lifelong learn-

Walter and Leonore Annenberg
Conference Center for Medical
Education at Lankenau Hospital



Eisenhower Medical Center

In its health philanthropy, the Annenberg Foundation has emphasized support of medical education aimed at improving health care for all Americans.





Top: An artist design of the 168-bed Walter and Leonore Annenberg Pavilion, a new patient wing planned for the Eisenhower Medical Center in Rancho Mirage, CA

Bottom: the Eisenhower Imaging Center

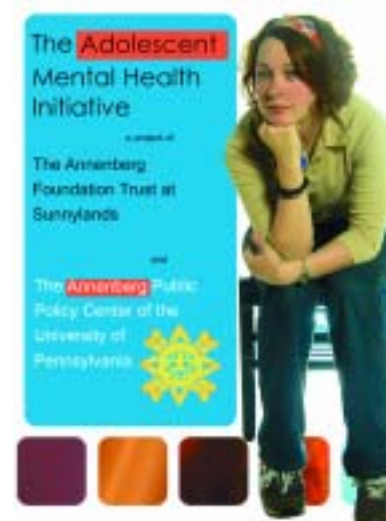


ing, especially for the medical professionals whom patients trust with their lives. The Foundation continues to invest in these two excellent providers of continuing education for health professionals, realizing that the knowledge gained by these doctors, nurses and other care-givers redounds directly to the benefit of their patients. These centers also serve as forums for education, discussions and other public policy work aimed at improving health care for all Americans. When the Annenberg Center for Health Sciences at Eisenhower held its first medical conference in 1982, the Ambassador said his dream was that it would serve as “an unmatched facility where leaders in education, medicine, government, and industry will gather to contemplate issues of the next century.”

The Foundation has invested \$25 million in the Institute for Adolescent Risk Communication at the University of Pennsylvania’s Annenberg Public Policy Center, which has brought together top scholars in this field to synthesize knowledge about how to prevent adolescents from engaging in risky behaviors. In addition, the Annenberg Foundation Trust at Sunnylands, a new entity created with a grant from the Annenberg Foundation, has convened seven expert panels that will

produce and publish a definitive reference book on adolescent mood disorders, schizophrenia, anxiety, eating disorders, alcohol and drug abuse and suicide. The Institute, under the direction of Kathleen Hall Jamieson, carries out an annual National Annenberg Risk Survey of Youth that examines young people’s risky behaviors and influences related to those behaviors. The Institute also examines how the media deals with these sensitive mental health issues, and has worked with news organizations on improving coverage.

The Annenberg Foundation has supported women’s health and efforts to increase the quality of life for patients and families during sickness. Along with support to several of the nation’s leading rehabilitation centers and programs, an Annenberg grant helped the Clare Foundation purchase and renovate a Santa Monica, California, building that is now the Wallis Annenberg Women and Children’s Center, providing housing for addicted mothers and their children while attending Clare treatment programs. A \$1 million grant will create the Wallis Annenberg Ovarian Cancer Research Program at the Cedars-Sinai Medical Center in Los Angeles to advance earlier detection of ovarian cancer and to develop novel therapies. The Foundation gave





Scientists at the House Ear Institute in Los Angeles explore the mysteries of the human auditory system from the ear canal to the cortex of the brain. The Institute's new Wallis Annenberg Research Center will concentrate on improved treatments and cures for hereditary ear diseases.

Operation Smile, the Virginia Beach, Virginia, charity that sends plastic surgeons and anesthesiologists around the globe to provide free operations for children with cleft palates, \$200,000 to expand its educational activities across China and to convene an international conference of plastic surgeons in Shanghai, China. Operation Smile sent surgical teams out to five provincial Chinese cities in 2004, where they operated on hundreds of children and young adults with the facial deformity. Since Operation Smile's first mission to China in 1991, more than 5,000 children and young adults have received surgery. Wallis Annenberg told the *Shanghai Star*: "In admiration for the life-changing surgery my brother, Roger, received as an infant for cleft lip and cleft palate, and in appreciation of the fact that his life would have been immeasurably compromised without the miracle of plastic surgery, I am proud to provide funding for this important endeavor."

The House Ear Institute in downtown Los Angeles has been a prominent research center in studying the causes of hearing loss since it was founded by pioneering ear specialist Howard P. House, M.D., in 1946. Last fall, after receiving a \$10 million Annenberg Foundation grant, the Institute announced plans to open a new

laboratory building that will be called the Wallis Annenberg Research Center, with a special emphasis on finding improved treatments and cures for hereditary ear diseases such as otosclerosis.

The Foundation also has supported the work of the Center for the Advancement of Health, a respected Washington non-profit that works to translate health research into effective policy and practice, with an emphasis on encouraging people to adopt better health habits. The Center is trying to bridge the large gap between what is known about staying healthy and the choices people make about diet and behavior. The Center describes the challenge this way: "The most breathtaking scientific advances in knowledge and technology have little impact if they are not acted upon wisely by individuals and the health professionals who work with them to prevent, treat and manage their illnesses.... Since its founding in 1992, the Center has focused on the growing body of scientific knowledge about the impact of behavior on health — both directly, as stress, obesity, physical activity and diet affect disease processes, and indirectly, as new discoveries require wide-scale changes in behavior by individuals, health care providers and policy makers to put them to use."



Walter and Leonore Annenberg
Conference Center for Medical
Education at Lankenau Hospital





Looking Back, Looking Forward

he
good men may do separately
is small compared with
what they may do collectively.

“I BELIEVE IN SOCIAL RESPONSIBILITY, THAT A MAN’S SERVICE TO OTHERS MUST BE AT LEAST IN RATIO TO THE CHARACTER OF HIS OWN SUCCESS IN LIFE. WHEN ONE IS FORTUNATE ENOUGH TO GAIN A MEASURE OF MATERIAL WELL-BEING, HOWEVER SMALL, SERVICE TO OTHERS SHOULD BE UPPERMOST IN HIS MIND.”

Walter H. Annenberg

The story is told in Christopher Ogden’s *Legacy: A Biography of Moses and Walter Annenberg* about the luncheon held at Gracie Mansion to salute Walter and Leonore Annenberg for donating their art collection to the Metropolitan Museum of Art. As then-Mayor David Dinkins stood at the doorway to bid farewell to the guests of honor, the Ambassador could not help but notice that the paint on the entrance foyer was conspicuously peeling. The Mayor apologized and attributed the disarray to the city’s fiscal difficulties. “Why don’t you let me take care of that?” the Ambassador immediately asked. And so one of the Annenberg Foundation’s cultural grants for 1992 was to put a fresh coat of paint on the two-century-old home on East End Avenue.

One of the joys and privileges of working at the Annenberg Foundation alongside one of history’s great philanthropists was being there when the Ambassador had one of these eleemosynary epiphanies, which were usually about matters of much greater moment than a coat of paint. As former University of Pennsylvania President Judith Rodin once put it, “When he worried, he always did some-

thing monumental.” Ambassador Annenberg likened two of the Foundation’s largest undertakings – the \$50 million challenge grant to the United Negro College Fund and the \$500 million Annenberg Challenge for public education – to crusades being waged against discrimination, school violence and barriers to full participation in the American dream. He positioned the Annenberg Foundation to work toward making a great country better – to expand opportunity, to improve public schools, to share great works of art, to bolster great cultural and academic institutions, to make new generations feel as strongly about freedom and democracy as their forebears did, and to help physicians, nurses and other health care professionals keep abreast of the latest advances.

Walter Annenberg had already acquired a reputation for philanthropy in the early 1950s when he was interviewed by Edward R. Murrow for the broadcast journalist’s CBS radio show, *This I Believe*. The young publisher had this to say about what motivated his giving:

I believe in social responsibility, that a man’s service to others must be at least in ratio to the character of his

own success in life. When one is fortunate enough to gain a measure of material well-being, however small, service to others should be uppermost in his mind.

The Ambassador, by boldness and conviction as much as by sharing his wealth, put this new foundation in the vanguard of a movement in the 1990s toward what authors Kay Sprinkel Grace and Alan L. Wendroff called transformational philanthropy. In their book *High Impact Philanthropy: How Donors, Boards, and Nonprofit Organizations Can Transform Communities*, Grace and Wendroff characterized the last decade of the 20th century as a golden age of philanthropy when Walter Annenberg, Bill Gates and others made gifts so important that they were transformational. Unlike traditional, “transactional” philanthropy, where donors wrote a check, shook hands and sent the recipients off with best wishes, transformational gifts had the capacity to “alter the programs, perceptions, and future of an organization,” they wrote.

Philanthropy alone cannot change the world, but it is hard to imagine a world changing for the better without it. The Annenberg Foundation’s grants have sought to make life better for the less

Philanthropy alone cannot change the world, but it is hard to imagine a world changing for the better without it.



Top: Friends at Wilson Elementary School, part of the Bay Area School Reform Collaborative

Bottom: The Annenberg Research Institute of the Center for Advanced Judaic Studies at the University of Pennsylvania



Creating Opportunities

fortunate and to strengthen some of the cornerstones of American life – schools, colleges, museums, hospitals, libraries and those who work within these institutions and those who learn from them. These are tasks that require steadiness of purpose and that cannot and will not be finished in fifteen years or fifteen times fifteen years. These are the duties of citizenship.

Many wonderful tributes were paid to the Ambassador after his passing two autumns ago. Former First Lady Nancy Reagan said, “Walter Annenberg’s legacy is not the fortune he amassed, but the unprecedented gifts he bestowed on the youth of our country.” Then-Governor-elect Edward G. Rendell said of his fellow Philadelphian: “The highest office in our republic is not president, senator or mayor, but citizen. Ambassador Annenberg is the very definition of what our Founders envisioned as a good citizen.” That evening, the Philadelphia Orchestra played Johann Sebastian Bach’s haunting Air from Orchestral Suite No. 3 in D major. Two months later scores of dignitaries and hundreds of friends joined the Annenberg family for a solemn but joyful tribute at the

Academy of Music, the grand old opera house in downtown Philadelphia. The eulogies by former President Gerald Ford, U.S. Secretary of State Colin Powell, Cardinal Anthony Bevilacqua, former First Ladies Nancy Reagan and Barbara Bush, Vartan Gregorian and a dozen others moved many to tears, as did the music of Dvorak, Strauss and Elgar played by the Philadelphia Orchestra and the voice of mezzo-soprano Frederica von Stade.

One of the most poignant tributes was delivered three days later when 17-year-old Randy Vesprey, the student body president of the Peddie School, addressed classmates assembled in Ayer Memorial Chapel on the Hightstown, New Jersey, campus to pay their respects to the alumnus from the Class of 1927. The Ambassador was extraordinarily grateful and loyal to Peddie, where he spent five of the happiest years of his life. He entered as a shy boy struggling to overcome a stutter; when he graduated, the popular senior was voted “most likely to succeed.” Other top prep schools in that era closed their doors to Jews; Peddie welcomed all. If any place cemented Walter Annenberg’s belief in the importance of



From top left clockwise: National Symphony Orchestra at the Kennedy Center, the House Ear Institute, Santa Catalina Island Conservancy, United Way of Southern Pennsylvania's Early to Learn Program, Greater Washington Educational Telecommunications Association (WETA)

education, it was Peddie. He made his first gift to the school even before graduation: \$17,000 to build a cinder outdoor track. He also proffered some practical business advice: Peddie should rent the track out to other schools to help pay the upkeep. There were many more gifts to come, including a \$100 million grant in 1993 that doubled Peddie's endowment and allowed it to increase financial aid sharply.

Randy Vesprey recalled his and Peddie's benefactor:

Ambassador Annenberg was a man of limitless kindness and generosity. As I walked up the stairs to the Philadelphia Academy of Music in the midst of my fellow Peddie people last Friday, I began to wonder whether or not I belonged there among the fur coats, distinguished faces and prestigious names. But when I heard Dr. Vartan Gregorian, President of Carnegie Corporation of New York, speak on Mr. Annenberg's dedication to education ... there was no longer a doubt in my mind that I belonged there. Everyone that is a part of the Peddie community belonged there....

Former President Gerald Ford spoke of the Annenberg Challenge,

which put plainly and simply is, 'to strive for the highest quality of citizenship' — the very same words written across the top of the entrance to our library. I believe that he challenges us still....

I never had the chance to meet Mr. Annenberg, but I will live up to his challenge. He has given me an opportunity to prove myself and I plan to take full advantage of it. Thank you, Mr. Annenberg, for the opportunities.

The work of the Annenberg Foundation over these 15 years, like the philanthropy of Walter Annenberg over a remarkable lifetime, has been largely about creating and expanding opportunities. Under the leadership of Leonore Annenberg and Wallis Annenberg, and the active trusteeship of Lauren Bon, Gregory Annenberg Weingarten, and Charles Annenberg Weingarten, this remains the Foundation's abiding passion and promise.



Citizenship